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ANNUAL AUDITED REPORT FORM X-17A-5

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OMB APPROVAL

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PART III

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Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 07	7/01/17	AND ENDING 06/30/	18
	MM/DD/YY		MM/DD/YY
A. REGI	STRANT IDENTIFICA	TION	
NAME OF BROKER-DEALER: JP Deriva	tives, LLC	. [OFFICIAL USE ONLY
ADDRESS OF PRINCIPAL PLACE OF BUSIN	NESS: (Do not use P.O. Box	No.)	FIRM I.D. NO.
40 Wall Street, Suite 1704			
-	(No. and Street)		
New York	NY	1000	05
(City)	(State)	(Zip Co	de)
NAME AND TELEPHONE NUMBER OF PER JAY GETTENBERG	SON TO CONTACT IN REC) 668-8700
		(Area	Code – Telephone Number)
B. ACCO	UNTANT IDENTIFICA	TION	
INDEPENDENT PUBLIC ACCOUNTANT wh	ose opinion is contained in th	is Report*	
Lerner & Sipkin, CF	PAs, LLP		
(1)	Name – if individual, state last, first,	middle name)	•
132 Nassau Street	New York	NY	10038
(Address)	(City)	(State)	(Zip Code)
CHECK ONE:			
Certified Public Accountant			
Public Accountant		•	
Accountant not resident in United	d States or any of its possession	ons.	
	OR OFFICIAL USE ONL	Y	
			İ

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

T. Jack Pługgi	swear (or affirm) that, to the best of
my knowledge and belief the accompanying financial s JP Derivatives, LLC	statement and supporting schedules pertaining to the firm of
of June 30	20 18 are true and correct. I further swear (or affirm) that
neither the company nor any partner, proprietor, princ classified solely as that of a customer, except as follow	ipal officer or director has any proprietary interest in any account
	\bigcirc \bigcirc \bigcirc
	Signature
Jan Vanalas.	Title
Notary Public This report ** contains (check all applicable boxes): (a) Facing Page.	IAN G DOUGLAS Notary Public, State of New York Reg. No. 01DO6340695 Qualified in Nassau County Ny Commission Expires 4/25/2020
 (b) Statement of Financial Condition. (c) Statement of Income (Loss). (d) Statement of Changes in Financial Condition. 	
 (e) Statement of Changes in Stockholders' Equity ((f) Statement of Changes in Liabilities Subordinated (g) Computation of Net Capital. 	ed to Claims of Creditors.
 (h) Computation for Determination of Reserve Req (i) Information Relating to the Possession or Cont 	rol Requirements Under Rule 15c3-3. tion of the Computation of Net Capital Under Rule 15c3-1 and the
(k) A Reconciliation between the audited and unauconsolidation. (l) An Oath or Affirmation.	dited Statements of Financial Condition with respect to methods of
(m) A copy of the SIPC Supplemental Report.	und to exist or found to have existed since the date of the previous audit.

^{**}For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

Report on Audit of Financial Statements and Supplementary Information

For the Year Ended June 30, 2018

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132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A. ilerner@lernersipkin.com

Joseph G. Sipkin, C.P.A. isipkin@iernersipkin.com

Report of Independent Registered Public Accounting Firm

To the Members of JP Derivatives, LLC c/o Accounting and Compliance International 40 Wall Street, Suite 1704 New York, NY 10005

Opinion on the Financial Statements

We have audited the accompanying balance sheet of JP Derivatives, LLC (the "Company") as of June 30, 2018, the related statements of operations, changes in members' equity, and cash flows for year then ended and the related notes and schedules (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2018, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Supplemental Information

The information contained in the "Computation of Net Capital" schedule has been subjected to audit procedures performed in conjunction with the audit of the JP Derivatives, LLC's financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether such supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F. R. §240.17a-5. In our opinion, the "Computation of Net Capital" schedule are fairly stated, in all material respects, in relation to the financial statements as a whole.

Server 4 Applie CAR LLP Lerner & Sipkin CPAs, LLP Certified Public Accountants (NY)

We have served as the Company's auditor since 2018.

New York, NY August 3, 2018

Statement of Financial Condition June 30, 2018

ASSETS

Cash Commission receivable Due from clearing broker Prepaid expenses	\$ 926,326 892,229 349,051 31,702
TOTAL ASSETS	\$ 2,199,308
LIABILITIES AND MEMBER'S EQUITY	
LIABILITIES: Accounts payable and accrued expenses Commission and bonus payable	\$ 161,407 116,747
TOTAL LIABILITIES	278,154
MEMBER'S EQUITY	1,921,154
TOTAL LIABILITIES AND MEMBER'S EQUITY	\$ 2,199,308

Statement of Operations For the Year Ended June 30, 2018

REVENUE:	
Commission income	\$ 4,599,784
Rebate income	300,015
Other income	1,597
Total revenue	4,901,396
OPERATING EXPENSES:	
Salaries, commissions and other compensation costs	3,528,766
Data services	123,066
Office and other	35,611
Dues and subscriptions	8,901
Professional fees	186,800
Regulatory fees	30,728
Communications	61,463
Commission and clearance expense	262,036
Insurance expense	7,845
Travel, meals and entertainment	202,779
Total expenses	4,447,995
INCOME BEFORE PROVISION FOR INCOME TAXES	\$ 453,401
Provision for income taxes	42,702
NET INCOME	\$ 410,699

Statement of Changes in Members' Equity For the Year Ended June 30, 2018

MEMBER'S EQUITY, July 1, 2017		\$ (2,000)
Capital contributions	$\sum_{i=1}^{n} \frac{1}{i} \sum_{j=1}^{n} \frac{1}{i} \sum_{j$	1,531,000
Capital distributions		(18,545)
Net income		410,699
MEMBER'S EQUITY, June 30, 2018		\$ 1,921,154

Statement of Cash Flows For the Year Ended June 30, 2018

OPERATING ACTIVITIES:					
Net income				\$ 410,69	9
Adjustments to reconcile net income to net cash provide operating activities	ded by				
Changes in operating assets and liabilities Increase in accounts receivable				(000 EO	41
Increase in due from clearing firm		•		(888,59 (349,05	-
Increase in prepaid expenses				(31,70	-
Increase in accounts payable and accrued expen	ses		,	152,77	-
Increase in commissions and bonuses payable				116,74	<u>7</u>
Net cash used by operating activities				(589,12	9)
INVESTING ACTIVITIES:					
Capital contributions Capital distributions				1,531,000 (18,54	
Net cash provided by investing activities				1,512,45	<u>5</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS				923,326	3
CASH AT BEGINNING OF YEAR				3,000	<u>)</u>
CASH AT END OF YEAR				\$ 926,326	<u> </u>
Supplemental cash flow information					
Cash paid during the year for income taxes				\$ 2,702)
Cash paid during the year for interest				\$ -	_

Notes to Financial Statements For the Year Ended June 30, 2018

1. Organization and Nature of Business

JP Derivatives, LLC (the "Company") was organized as a limited liability company under the laws of the State of Delaware. The Company is wholly owned by Piuggi Capital, LLC (the Member). The Company executes options transactions for its clients solely on an agency and/or give-up basis. The Company is a broker-dealer registered with the American Stock Exchange (AMEX), the Securities and Exchance Commission (SEC) and is a member of the Securities Investor Protection Corporation (SIPC).

The Company operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clears all transactions on behalf of customers on a fully disclosed basis with a clearing broker dealer, and promptly transmits all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves the related books and records as are primarily kept by a clearing broker/dealer.

Since the Company is a limited liability company, the Member is not liable for the debts, obligations, or liabilities of the Company, whether arising in contract, tort or otherwise, unless the Member has signed a specific guarantee.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenue is recognized when earned, while expenses and losses are recognized when incurred.

b) Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of funds maintained in checking and money market accounts held at financial institutions.

The Company's cash and cash equivalents are held principally at one financial institution and at times may exceed federally insured limits. The Company has placed these funds in a high quality institution in order to minimize risk relating to exceeding insured limits.

c) Revenue Recognition

Securities transactions (and the recognition of related income and expenses) are recorded on a trade date basis. Commission income and related income and expense are recorded on a settlement date basis. There is no material difference between settlement date and trade date.

d) Income Taxes

The LLC is treated as a disregarded entity and has no federal and state tax liabilities. Any liability on profits is reported on the tax return of the parent entity and passed along to the individual members. The Company operates in New York City and is subject to NYC Unincorporated Business Tax., which has been presented within the Statement of Income. The tax years since inception remain open to examination by the major taxing jurisdictions to which the LLC is subject.

e) Furniture and Equipment

Equipment is carried at cost and is depreciated over a useful life of 5-7 years using the straight-line method.

Notes to Financial Statements For the Year Ended June 30, 2018

f) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

4. Indemnifications

In the normal course of its business, the Company indemnifies and guarantees certain service providers against specified potential losses in connection with their acting as an agent of, or providing services to, the Company. The maximum potential amount of future payments that the Company could be required to make under these indemnifications cannot be estimated. However, the Company believes that it is unlikely it will have to make material payments under these arrangements and has not recorded any contingent liability in the financial statements for these indemnifications.

The Company provides representations and warranties to counterparties in connection with a variety of commercial transactions and occasionally indemnifies them against potential losses caused by the breach of those representations and warranties. The Company may also provide standard indemnifications to some counterparties to protect them in the event additional taxes are owed or payments are withheld, due either to a change in or adverse application of certain tax laws. These indemnifications generally are standard contractual terms and are entered into in the normal course of business. The maximum potential amount of future payments that the Company could be required to make under these indemnifications cannot be estimated. However, the Company believes that it is unlikely it will have to make material payments under these arrangements and has not recorded any contingent liability in the financial statements for these indemnifications.

5. Net Capital Requirement

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 800% in the first year of operations, and 1500% in every year thereafter. At June 30, 2018, the Company had net capital of \$1,370,968, which was \$1,352,424 in excess of its required net capital of \$18,544. The Company's aggregate indebtedness to net capital ratio was 20.29%.

6. Subsequent Events

The Company has evaluated events and transactions that occurred between July 1, 2018 and August 3, 2018, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

(A LIMITED LIABILITY COMPANY)

Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission June 30, 2018

SCHEDULE 1

TOTAL MEMBER'S EQUITY QUALIFIED FOR NET CAPITAL	\$ 1,921,154
DEDUCTIONS AND/OR CHARGES: Non-allowable assets:	(550,186)
NET CAPITAL	<u>\$ 1,370,968</u>
AGGREGATE INDEBTEDNESS: Accounts payable and accrued expenses Commission and bonuses payable	\$ 161,407 116,747 \$ 278,154
COMPUTATION OF BASIC NET CAPITAL REQUIREMENT Minimum net capital required Excess net capital	\$ 18,544 \$ 1,352,424
Excess Net Capital less greater of 10% of aggregate indebtedness or 120% of the minimum dollar amount required	\$ 1,340,750
Percentage of aggregate indebtedness to net capital	20.29%

There are no material differences between the preceding computation and the Company's corresponding unaudited Part II of Form X-17A-5 as of June 30, 2018.

JP Derivatives, LLC Exemption Report

Securities and Exchange Commission 100 First Street, NE Washington, D.C. 20549

To whom it may concern:

- JP Derivatives, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:
- (1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. § 240.15c3-3 (k): [(2)(ii)]
- (2) The Company met the identified exemption provisions in Paragraph (k) of Rule 15c3-3 throughout the most recent fiscal year without exception.
- I, <u>Jack Piuggi</u>, swear (or affirm) that, to my best knowledge and belief, we did not identify any exceptions to this exemption during this period.

Title: CEO

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A. jlerner@lernersipkin.com

Joseph G. Sipkin, C.P.A. jsipkin@iernersipkin.com

To the Members of JP Derivatives, LLC c/o Accounting and Compliance International 40 Wall Street, Suite 1704 New York, NY 10005

Report of Independent Registered Public Accounting Firm

Gentlemen:

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) JP Derivatives, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which JP Derivatives, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: k(2)(ii), (the "exemption provisions") and (2) JP Derivatives, LLC stated that JP Derivatives, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. JP Derivatives, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about JP Derivatives, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph k(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Server & Sipkin CPAs, LLP Certified Public Accountants (NY)

New York, NY August 3, 2018

JP DERIVATIVES, LLC

Schedule of the Determination of SIPC Net Operating Revenues and General Assessment

For the year ended June 30, 2018



132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A. jlerner@lernersipkin.com

Joseph G. Sipkin, C.P.A. isipkin@lernersipkin.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON APPLYING AGREED-UPON PROCEDURES

To the Member of JP DERIVATIVES, LLC c/o Accounting and Compliance International 40 Wall Street, Suite 1704 New York, NY 10005

Gentlemen:

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by JP DERIVATIVES, LLC and the Securities Investor Protection Corporation (SIPC) with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of JP DERIVATIVES, LLC for the year ended June 30, 2018, solely to assist you and SIPC in evaluating the JP DERIVATIVES, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). JP DERIVATIVES, LLC's management is responsible for the JP DERIVATIVES, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

- 1- Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences:
- 2- Compared the Total Revenue amount reported on the Annual Audited Report Form X-17A-5 Part III for the year ended June 30, 2018 with the Total Revenue amount reported in the Form SIPC-7 for the year ended June 30, 2018, noting no differences;
- 3- Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4- Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
- 5- Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the applicable instructions of the Form SIPC-7. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Lerner & Sipkin CPAs, LLP (NY) August 3, 2018

JP DERIVATIVES, LLC
Schedule of the Determination of SIPC Net Operating Revenues and General Assessment
For the year ended June 30, 2018

Determination of SIPC Net Operating Revenues:

	Total Revenues (FOCUS line 12/ Part IIA line 9)	\$	4,901,396
. •	Additions		
•	Deductions		262,037
	SIPC Net Operating Revenues	\$	4,639,359
Determi	nation of General Assessment:		
	SIPC Net Operating Revenues:	<u>\$</u>	4,639,359
	General Assessment		6,959
Assessm	ent Remittance:		
	Less: Payment made with Form SIPC-6 in February, 2018		(1,194)
	Assessment Balance Due	<u>s</u>	5,765
	lation with the Company's Computation of SIPC Net Operating Reven ed June 30, 2018:	ues fo	r the
	SIPC Net Operating Revenues as computed by the Company on Form SIPC-7	\$	4,639,359
	SIPC Net Operating Revenues as computed above		4,639,359
	Difference	\$	

(35-REV 6/17)

SECURITIES INVESTOR PROTECTION CORPORATION P.O. Box 92185 Washington, D.C. 20090-2185 202-371-8300 General Assessment Reconciliation

(35-REV 6/17)

For the fiscal year ended June 30, 2018 (Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

	res: Postmarked Received Review Iculations Docume ceptions: sposition of exceptions:	entation		Forward Copy
	Total Control			
S Da	tes:	ved .		F
for a p	rm and the assessment payment is due 60 days afte eriod of not less than 6 years, the latest 2 years in a	er the end of the fla an easily accessib	scal year. Retain le place.	the Working Copy of this form
	the 20th day of July	Financial and C	(Tit	0)
	. 20th luly 18	Einanaial and C	[Auliarized	Signature)
	mplete.	(Na	ame of Corporation) Parine	rahip or other organization)
person	PC member submitting this form and the by whom it is executed represent thereby Information contained herein is true, correct	JP DERIVATI	VES, LLC	**************************************
3. Sub:	sidiaries (S) and predecessors (P) included in this form	ı (give name and 19	34 Act registratio	n number):
Н.	Overpayment carried forward	\$(· · · · · · · · · · · · · · · · · · ·)
G.	PAYMENT: √ the box Check malled to P.O. Box √ Funds Wired Total (must be same as F above)	_{\$} 5,765		
	Total assessment balance and Interest due (or overpay	yment carried forwa	rd)	<u>\$5,765</u>
E,	Interest computed on late payment (see instruction E)	fordays at 2	0% per annum	
D.	Assessment balance due or (overpayment)			5,765
C.	Date Paid Less prior overpayment applied			<u>(</u>
В.	Less payment made with SIPC-6 filed (exclude Interest)			(
2. A.	General Assessment (item 2e from page 2)			_{\$} 5,765
		Address	Jay Gen	enberg (212) 668-8700
	8-69788		contact resp	ecting this form.
	NEW YORK, NY 10005			elephone number of person to
			any correct	the form filed.
	JP DERIVATIVES, LLC 11 WALL STREET		i manny rave	il requires correction, please e-mail ons to form@sipc.org and so

DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period beginning July 1, 2017 and ending Jun 30, 2018 Eliminate cents Item No. \$4,901,396 2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030) (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above. (2) Net loss from principal transactions in securities in trading accounts. (3) Net loss from principal transactions in commodities in trading accounts. (4) Interest and dividend expense deducted in determining item 2a. (5) Net loss from management of or participation in the underwriting or distribution of securities. (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities. (7) Net loss from securities in investment accounts. Total additions 2c. Deductions: (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products. (2) Revenues from commodity transactions. (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with 262,037 securities transactions. (4) Reimbursements for postage in connection with proxy solicitation. (5) Net gain from securities in investment accounts. (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date. (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act). (8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C): (Deductions in excess of \$100,000 require documentation) (9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income. (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960). Enter the greater of line (i) or (ii) 262,037 Total deductions 4,639,359 2d. SIPC Net Operating Revenues 6.959 2e. General Assessment @ .0015 Rate effective 1/1/2017

(to page 1, line 2.A.)